

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION

PUBLIC AUCTION BID PACKET
FOR
STATE LAND LEASE

AUCTION DATE: Thursday, December 14, 2006

ISLAND OF HAWAII

PUBLIC AUCTION BID PACKET

FOR

STATE LAND LEASE

ISLAND OF HAWAII

TABLE OF CONTENTS

NOTICE OF SALE	i
INSTRUCTIONS TO BIDDERS	1 to 8
APPENDIX A APPLICATION & QUALIFICATION QUESTIONNAIRE (Agricultural/pasture) . . .	A-1 to A-8
APPENDIX B PERSONAL FINANCIAL STATEMENT FORM . . .	B-1 to B-2
APPENDIX C CASH FLOW PROJECTION FORM	C-1 to C-2
APPENDIX D TAX CLEARANCE REQUEST FORMS	D-1 to D-2

INSTRUCTIONS TO BIDDERS

1. PURPOSE

This Public Auction Bid Packet provides information, instructions, documents and forms related to the sale of State of Hawaii land lease scheduled for public auction on Thursday, December 14, 2006 at 10:00 a.m. or as soon thereafter as practicable, at the State Office Building, 75 Aupuni Street, West Lanai, Hilo, Hawaii 96720 for the items as listed in the Notice of Sale. This auction may be cancelled, postponed or continued by order of the Chairperson of the Board of Land and Natural Resources.

2. SIGNIFICANT DATES

Advertisement of Auction and Application Pick-up	Monday, October 2, 2006
Applications Due; 4:30 p.m.	Tuesday, November 14, 2006
Compliance Review of Applications*	Wednesday, November 15, 2006
Substantive Review and Qualification of Applications*	November 16 to 24, 2006
Notice of Auction Qualification/ Disqualification*	November 27, 2006
Public Auction Held at 10:00 a.m.	Thursday, December 14, 2006
All Required Auction Documents Signed	Friday, December 15, 2006

*Estimated dates

3. GENERAL QUALIFYING CRITERIA TO BE MET BY ALL BIDDERS

Any person shall be entitled to bid and purchase a lease at this auction, except a person who:

- a. Is in arrears in the payment of taxes, rents or other obligations owing to the State of Hawaii or to any of its political subdivisions;
- b. Is a minor;
- c. Has had during the five (5) years preceding the date of the public auction, a previous sale, lease, license, permit or easement covering public lands cancelled for failure to satisfy the terms, conditions and covenants

thereof;

- d. Fails to show upon demand of the Chairperson of the Board of Land and Natural Resources or his agent at the public auction, in cash, certified, or cashier's check, the following sum: **\$865.00**
- e. Fails to meet the pre-qualifying criteria as outlined in section 4.
- f. For applicants qualifying to bid on agricultural or pasture leases only:

Fails to meet any one of the bona fide farmer criteria pursuant to §171-14.5, HRS:

- (1) Has spent not less than two years, full-time, in farming operations;
- (2) Is an owner-operator of an established farm conducting a substantial farming operation;
- (3) For a substantial period of the individual's adult life resided on a farm and depended on farm income for a livelihood;
- (4) Is an individual who has been a farm tenant or farm laborer or other individual, who has for the two years last preceding the auction obtained the major portion of their income from farming operations;
- (5) Is an individual with a college degree in agriculture;
- (6) Is an individual who by reason of ability, experience, and training as a vocational trainee is likely to successfully operate a farm;
- (7) Has qualified for and received a commitment for a loan under the Bankhead-Jones Farm Tenant Act as amended, or as may hereafter be amended, for the acquisition of a farm;
- (8) Is an individual who is displaced from employment in an agricultural production enterprise;
- (9) Is a member of the Hawaii Young Farmer Association or a Future Farmer of America graduate with two years of training with farming projects;
- (10) Possesses the qualifications under the new farmer program pursuant to §155-1(3), HRS:

"New farmer program" means a new farm enterprise for qualified new farmers, including persons who are displaced from employment in an agricultural production enterprise, college graduates in agriculture, community college graduates in agriculture, and members of the Hawaii Young Farmer Association and Future Farmer of America graduates with farming projects, persons who have not less than two years' experience as part-time farmers, persons who have been farm tenants or farm laborers, or other individuals who have for the two years last preceding their application obtained the major portion of their income from farming operations, and persons who by reason of ability, experience, and training as vocational trainees are likely to successfully operate a farm. . .; or

- (11) Possesses such other qualifications as the Board of Land and Natural Resources may prescribe pursuant to §171-6, HRS.

4. PRE-QUALIFYING CRITERIA TO BE MET BY ALL BIDDERS FOR A STATE OF HAWAII LAND LEASE

In addition to meeting the general qualifying criteria in section 3, any person wishing to bid and purchase a State lease described in the Notice of Sale must first qualify to bid according to the following evaluation criteria:

- a. For applicants qualifying to bid on agricultural or pasture leases:
- i. QUALIFICATIONS AND EXPERIENCE
 - * Education in agriculture
 - * Type and duration of agricultural experiences
 - * Expertise in particular field of agriculture
 - * Expertise in management, financial and marketing matters
 - ii. BUSINESS PLAN AND DEVELOPMENT PLAN
 - * Soundness/feasibility of development components
 - * Soundness/feasibility of marketing components
 - * Soundness/feasibility of financial components
 - iii. FINANCIAL CAPACITY TO FUND OPERATIONS

* Ability to fund operations

iv. CONVICTIONS FOR VIOLATION OF LAW

5. APPLICATION PROCEDURES

Eligibility to bid on a State lease shall be determined by the information supplied by prospective bidders in the Application and Qualification Questionnaire form ("Application"), Appendices A to D. Any person who has not completed and submitted an Application by 4:30 p.m., Tuesday, November 14, 2006 as indicated below, will not be allowed to bid for the State lease at the public auction.

One (1) original and five (5) copies of the completed Application with all required attachments must be received no later than 4:30 p.m., Tuesday, November 14, 2006 by the Department of Land and Natural Resources at any one of the District Offices listed in section 14. Facsimile copies shall not be accepted. The official time shall be that recorded on the receiving District Office's time stamp clock. These conditions apply regardless of whether an Application is mailed or hand-delivered. The State assumes no responsibility for lateness due to mail or other delivery service.

A prospective bidder, at the time an Application is submitted, must be capable of performing all of the terms and conditions of the Lease which may be awarded.

A prospective bidder, at the time an Application is submitted, shall have inspected the subject parcels to be leased and understands the parcel shall be leased in an "AS IS" condition, without any representations or warranties made by the State of the Department of Land and Natural Resources as to the condition of the land or suitability of the land for the use permitted in the applicable lease.

Each applicant shall be informed in writing in advance of the date of the auction as to his/her eligibility or non-eligibility to bid at the public auction.

All information provided in the Application and Qualification Questionnaire shall remain confidential until the conclusion of the public auction. Thereafter, any information which is protected under Chapter 92F, Hawaii Revised Statutes, including an individual's financial information, will continue to be held confidential.

6. REVIEW OF APPLICATIONS

All Applications will be reviewed by a screening committee. The screening committee will be guided by the general qualifying and pre-qualifying criteria in sections 3 and 4.

An Application may be rejected for any of the following reasons:

- (a) If the Application is late, conditional, incomplete or does not adhere to the format and instructions;
- (b) If it is shown that inaccurate statements are made in the Application;
- (c) If the Application fails to meet any of the general qualifying or pre-qualifying criteria in sections 3 and 4; or
- (d) If it is in the best interests of the State.

7. MODIFICATION OF THE APPLICATION

Modifications to a submitted Application may be made prior to the Application due date of Tuesday, November 14, 2006. One (1) original and five (5) copies of the modified sheets or replacement Application shall be submitted by the Application due date of Tuesday, November 14, 2006.

8. RECONSIDERATION OF DISQUALIFICATION

An applicant may request a reconsideration of his/her disqualification. Any such request shall be in writing and received by the Department of Land and Natural Resources, 1151 Punchbowl Street, Room 220, Honolulu, Hawaii, 96813, within seven (7) calendar days from the day the Department mailed the notice of disqualification to the applicant. The applicant shall state the reasons why he/she believes the disqualification was improper and refer to evidence in his/her application to support such reasons. The Chairperson's decision on any reconsideration shall be final.

9. AUCTION PROCEDURE

- a. All prospective bidders shall be qualified pursuant to sections 3 and 4.
- b. All qualified bidders or authorized corporate representatives must be present in person at the auction. Authorized corporate representative must bring the original power of attorney.
- c. All qualified bidders must bring a picture ID and funds pursuant to section 3.d. above.
- d. Bidding shall commence at the upset minimum annual rental as stated in the Notice of Sale document and the qualified bidder making the highest bid at the fall of the hammer shall be the successful buyer of the lease.

10. DUTIES OF SUCCESSFUL BIDDER

The successful bidder shall, upon the fall of the hammer:

1. Execute a Memorandum of Lease for his/her purchase;
2. Execute an Affidavit of Non-Arrears stating that he or she is not in arrears in the payment of taxes, rents or other obligations owing to the State of Hawaii or any of its political subdivisions;
3. Pay in cash, certified, or cashier's check, the amount set forth in section 3.d. above; and
4. Within one (1) working day from the date of sale:
 - a. Pay all charges required by law, including the cost of survey maps and descriptions, documents, conveyance tax and advertising costs related to the Notice of Sale document.
 - b. Pay the difference between the minimum amount required to be paid at the fall of the hammer and fifty per cent (50%) of the annual rent bid.

Failure to execute the Memorandum of Lease, Affidavit of Non-Arrears, and make such payments within the stated time periods shall, at the option of the State of Hawaii, terminate any and all rights which such defaulting bidder may have been acquired at said public auction sale, and the State of Hawaii may, at its option, cancel the sale and retain as damages, the sums, or any portions thereof, previously paid by the successful bidder.

11. COMMENCEMENT DATE FOR LEASES

The date of sale if the current occupant is the successful bidder, otherwise, sixty (60) days after the date of sale; provided that if such date is not on the first day of any month, the commencement date shall be the first day of the month following such date; and further provided that the Chairperson may amend the commencement date for good cause.

12. EFFECTIVE RENTAL

The amount bid at public auction.

13. CONDITION OF THE PROPERTY

The property shall be leased in an "AS IS" condition, without any representations or warranties made by the State or the Department of Land and Natural Resources as to the condition of the land or suitability of land for the use permitted in

the lease.

14. LEASE DOCUMENTS

Proposed draft of the lease documents setting forth fully the terms and conditions to be observed and performed by the lessee together with survey map and description of the lands to be leased may be examined at the following offices:

Oahu District Land Office
Kalanimoku Building
1151 Punchbowl Street, Room 220
Honolulu, Oahu 96813

Tel. 587-0433

Maui District Land Office
State Office Building
54 South High Street
Wailuku, Maui 96793

Tel. 984-8103

Hawaii District Land Office
State Office Building
75 Aupuni Street, Room 204
Hilo, Hawaii 96720

Tel. 974-6203

Kauai District Land Office
State Office Building
3060 Eiwa Street, Room 306
Lihue, Kauai 96766

Tel. 274-3491

15. ADDITIONAL REQUIREMENTS

Refer to the drafts of the lease documents for bond requirements, rental reopenings, fencing requirements, insurance requirements, land development and utilization plan requirements, utilizations and clearing requirements, improvement requirements, assignment of lease evaluation policy, reservations and other terms and conditions.

Each prospective bidder shall carefully examine all documents. Failure on the part of any prospective bidder to make such an examination shall not be grounds for any claim that the prospective bidder did not understand the conditions of the lease or auction. Each prospective bidder shall notify the Administrator, in writing, of any ambiguity, inconsistency or conflict in the documents.

16. EFFECT OF SALE

Following the public auction sale, a lease document in conformance with the purchase shall be sent to the successful bidder for execution. In the event that the successful bidder shall fail to execute said lease document within thirty (30) calendar days after receipt, the State of Hawaii may, at its option, cancel the sale and retain the sums or any portion or

portions thereof, previously paid by the successful bidder as liquidated damages. The retention of said sums shall be in addition to any other rights or remedies to which the State of Hawaii may be entitled.

DONE at the Office of the Department of Land and Natural Resources, State of Hawaii this ____th day of _____, 2006.

BOARD OF LAND AND NATURAL RESOURCES

By: _____

Peter T. Young, Chairperson

APPENDIX A

APPLICATION AND QUALIFICATION QUESTIONNAIRE
(Agricultural or Pasture)

Write answers in the spaces provided. Attach additional sheets as necessary, clearly indicating the applicable section number. **IMPORTANT: If Applicant answers "Yes" to either Question 9 and/or 10, then Applicant is required to complete only Questions 1-15 and Part VI.**

Part 1: General Information

1. Applicant's legal name: _____
Applicant's full mailing address: _____

2. Name of contact person: _____
Phone number: _____
3. Applicant intends to bid on the following parcels:
Item: _____ Location: _____
Intended use: _____
Item: _____ Location: _____
Intended use: _____
Item: _____ Location: _____
Intended use: _____
4. Applicant intends to hold title to the lease as:
Type of owner (check one):
☐ Individual
☐ Husband and Wife
☐ Sole Proprietorship
☐ Joint Venture
☐ Partnership
☐ Corporation
Tenancy (check one, if applicable):
☐ Tenant in Severalty
☐ Joint Tenants
☐ Tenants in Common
☐ Tenants by Entirety
5. If Applicant is a partnership or joint venture, answer the following:
 - A. Name, address, & percentage share owned by each partner or joint venture member:

<u>Name</u>	<u>Address</u>	<u>Share</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
 - B. Date of Organization: _____
 - C. General or Limited Partnership (if applicable): _____

- D. Recorded: _____
County State Date
- E. Currently registered in Hawaii: Yes/No If Yes, as of: _____

6. If Applicant is a corporation, answer the following:

- A. When incorporated: _____
- B. In what state or country: _____
- C. Authorized to do business in Hawaii: Yes/No If Yes, as of: _____
- D. Provide the name, address and shares of stock for each **officer** of the corporation:

President: Name _____
Address _____
Number of stock shares _____ Percentage of shares _____

Vice-President: Name _____
Address _____
Number of stock shares _____ Percentage of shares _____

Secretary: Name _____
Address _____
Number of stock shares _____ Percentage of shares _____

Treasurer: Name _____
Address _____
Number of stock shares _____ Percentage of shares _____

Other: Name: _____ Title: _____
Address _____
Number of stock shares _____ Percentage of shares _____

E. Provide the name, address and shares of stock for each **member** of the corporation's **Board of Directors**:

Name _____
Address _____
Number of stock shares _____ Percentage of shares _____

Name _____
Address _____
Number of stock shares _____ Percentage of shares _____

Name _____
Address _____
Number of stock shares _____ Percentage of shares _____

- F. Provide the name, address and shares of stock for each **principal stockholder** which is not named in 6.D. and 6.E. above. (Principal stockholder means one holding 10% or more of the outstanding stock of the corporation.)

Name _____

Address _____

Number of stock shares _____ Percentage of shares _____

Name _____

Address _____

Number of stock shares _____ Percentage of shares _____

Name _____

Address _____

Number of stock shares _____ Percentage of shares _____

Name _____

Address _____

Number of stock shares _____ Percentage of shares _____

7. List all State of Hawaii leases, permits, licenses, easements, sales, etc. to which the Applicant has been a party to, including as a director, officer or shareholder:

<u>Doc. No.</u>	<u>Type of Agreement</u>	<u>Term of Agreement</u>
_____	_____	_____
_____	_____	_____

8. Attach tax clearances from both the State of Hawaii and the county which the auctioned land is in (refer to Appendix D).

9. Is the Applicant registered with the U.S. Securities and Exchange Commission (SEC) and been a publicly traded corporation for at least the last three years? Yes/No

10. Has the Applicant received a business loan within the last two years from an institution which is a member of the Federal Deposit Insurance Corporation (FDIC) or from any federal mortgage lending agency qualified to do business in Hawaii? Yes/No

If Yes, attach a copy of the loan agreement.

Part II: Qualifications and Experience

11. Indicate experience to qualify as a bona fide farmer pursuant to Section 171-14.5, HRS. For husband and wife, at least one individual shall qualify. For partnerships, joint ventures and corporations, "Applicant" in the following questions refers to the entity itself, and, therefore, only 11.A, 11.B, 11.G and 11.J below will apply.

- | | | |
|----|---|--------|
| A. | Has the Applicant spent not less than two years, full-time, in farming operations? If yes, explain in Question 13. | Yes/No |
| B. | Is the Applicant an owner-operator of an established farm conducting a substantial farming operation? If yes, explain in Question 13. | Yes/No |
| C. | Has the Applicant, for a substantial period of the individual's adult life, resided on a farm and depended on farm income for a livelihood? If yes, explain (number of years, location, income, etc): | Yes/No |
| | _____ | |
| | _____ | |
| | _____ | |
| | _____ | |
| D. | Is the Applicant an individual who has been a farm tenant or farm laborer or other individual, who has for the two years last preceding the auction obtained the major portion of their income from farming operations? If yes, explain in Question 13. | Yes/No |
| E. | Does the Applicant have a college degree in agriculture? If yes, explain in Question 12. | Yes/No |
| F. | Is the Applicant an individual who, by reason of ability, experience, and training as a vocational trainee, is likely to successfully operate a farm? If yes, explain in Question 12. | Yes/No |
| G. | Has the Applicant received a commitment for a loan under the Bankhead-Jones Farm Tenant Act for the acquisition of a farm? If yes, attach copy of executed loan document or notification letter. | Yes/No |
| H. | Is the Applicant an individual who is displaced from employment in an agricultural production enterprise? If yes, explain in Question 13. | Yes/No |
| I. | Is the Applicant a member of the Hawaii Young Farmer Association or a Future Farmer of America graduate with two years of training with farming projects? If yes, attach letter confirming membership and training and explain in Question 12. | Yes/No |
| J. | Does the Applicant possess the qualifications under the new farmer program pursuant to section 155-1(3), HRS (refer to section 3.d.(10) of the Instructions to Bidders)? If yes, explain: | Yes/No |
| | _____ | |
| | _____ | |
| | _____ | |
| | _____ | |

- K. Does the Applicant possess such other qualifications? Yes/No
 If yes, briefly describe any other information which you may consider pertinent to assessing your qualifications and experience and which is not contained in your responses to Questions 12 & 13:

12. Education and Training

- A. List all vocational training, business, trade, college or university, graduate or professional schools (for partnerships, joint ventures or corporations, indicate name of principal or manager for which the education applies):

Name & Location of School (and Name of Person, if applicable)	Field of Study	Degree Type	Date Recvd

- B. Attach evidence of your graduation from college (copy of transcripts or diploma).
- C. Describe any vocational or other training you have received which relates to your qualifications and experience to successfully operate your farm/ranch:

13. In chronological order starting with the Applicant's most current experience, briefly describe Applicant's farming/ranching experience and business experience (management, financial and marketing) as it relates to the land intended to be bid on. For partnerships, joint ventures and corporations, include both experience of business entity itself as well as experience of principals or managers. **Copy and attach additional sheets as needed.**

Business Name _____ Address _____ Name & Title of Supervisor _____ Your Position _____ Commodity Produced _____ Size of Operations (no. of employees , acres) _____ Duties & Responsibilities _____ _____ _____ _____ _____	From: _____ Month Year To: _____ Month Year Full-time () Part-time () Average hours worked per week: _____
Business Name _____ Address _____ Name & Title of Supervisor _____ Your Position _____ Commodity Produced _____ Size of Operations (no. of employees, acres) _____ Duties & Responsibilities _____ _____ _____ _____ _____	From: _____ Month Year To: _____ Month Year Full-time () Part-time () Average hours worked per week: _____
Business Name _____ Address _____ Name & Title of Supervisor _____ Your Position _____ Commodity Produced _____ Size of Operations (no. of employees, acres) _____ Duties & Responsibilities _____ _____ _____ _____ _____	From: _____ Month Year To: _____ Month Year Full-time () Part-time () Average hours worked per week: _____

14. For any experience listed above which the Applicant would like to be considered in order to qualify as a bona fide farmer pursuant to Section 171-14.5, HRS, under Question 11, attach verification, including but not limited to: 1) pay stubs or W-2 forms where Applicant was employed as an individual or 2) Schedule F of federal income tax returns or General Excise tax returns where Applicant was a self-employed individual or a corporation.

15. Attach at least two (2) reference letters from people, who are not related to you, verifying agricultural background (applies to farm laborer or previous farm experience).

Part III: Business Plan

Complete one Business Plan for each item/parcel which you intend to bid on. (Copy and attach additional plans as needed.)

16. Item No.: _____ Location: _____

17. What will the land be used for? List the goals and objectives to utilize and develop the land:

18. What products will be sold?

19. What is the projected yearly level of production?

20. What is the demand for your products in the near- and long-term?

21. Who are your primary customers and how will the products be distributed?

22. What is your pricing strategy?

23. How will you market your products?

-
-
-
-
-

- _____
- _____
- _____
- _____
- _____

- [illegible]

- [illegible]

-
-
-
-

29. Attach a completed Cash Flow Projection. You must show **all** income and expenses applicable to your business for a five-year period or one crop rotation **whichever is greater**. Appendix C provides a **sample** form. You may use your own format.
30. Attach a Preliminary Map Plan (can be drawn free hand). Please note:
- A. Pasture leases should show fencing, stock watering troughs, water distribution system if needed and topography with physical features to be protected, such as streams, eroded land, steep areas, etc.
 - B. Intensive agriculture leases should show crop rows, roadways, structures, windbreaks if necessary and water distribution system plus topography with physical features such as streams, gullies, steep areas, etc. If you are proposing crops that are not prevalent in the area, letters from agricultural experts testifying to the viability of the crop within the area should be included.

Part IV: Financial Capacity

31. All Applicants must provide written verification of financing source(s) as follows (failure to provide sufficient information to verify financial resources may result in disqualification to bid):
- a. If Applicant intends to obtain a loan, attach a preliminary loan commitment letter from a recognized lending institution. To be considered, the letter **must** specify approved loan amount and what loan proceeds will be used for.
 - b. If Applicant is unable to or does not intend to secure a loan and Applicant is an individual, husband and wife, sole proprietorship or partnership, attach Personal Financial Statement (Appendix B) for each individual and federal income tax returns for the most recent two years.
 - c. If Applicant is unable to or does not intend to secure a loan and Applicant is a corporation or joint venture, attach corporate financial statements (current balance sheet and income/expense statements) and federal income tax returns for the most recent two years.

For questions 32-38: 1) if applying as an individual, husband and wife, sole proprietorship or partnership, "you" refers to all individuals involved, including all partners, and 2) if applying as a corporation or joint venture, "you" refers to the entity itself and any director, officer or major stockholder.

32. Are there any outstanding judgments against you? If yes, explain: Yes/No

33. Have you filed bankruptcy within the past seven years? Yes/No

34. Have you had property foreclosed upon or given title or deed in lieu thereof in the last seven years? Yes/No

35. Are you a party in any legal action? If yes, explain: Yes/No

36. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgement? If yes, provide details, including date, name and address of lender and reasons for the action: Yes/No

37. Are you presently delinquent or in default on any Federal, State or county rent, debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? If yes, explain: Yes/No

Part V: Criminal Convictions

38. Have you ever been convicted of the crime of cruelty to animals and/or have you been convicted of a violation of law? If yes, explain: Yes/No

Part VI: Notarized Certification

I/We hereby certify that the statements and information contained in this Application and Questionnaire, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, I/we may be disqualified from bidding or my/our lease may be cancelled.

Applicant Name _____

Applicant Name _____

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Subscribed and sworn to before me this
_____ day of _____, 20____.

Notary Public _____

County of: _____

State of: _____

My commission expires: _____

APPENDIX B
(B-1)

PERSONAL FINANCIAL STATEMENT

Name of Applicant: _____ Social Security Number: _____ Page 1 of 2

ASSETS		Omit Cents			Omit Cents
Cash in Bank - Checking			Notes Payable		
Cash in Bank - Savings			Secured		
			Unsecured		
Accounts & Notes Receivable			Notes Payable Other (itemize on reverse)		
U.S. Government Bonds			Accounts Payable		
Investments in Own Business			Charge Account		
Other Stocks & Bonds (itemize on reverse)			Other		
CSVLI (itemize on reverse)			Unpaid Taxes		
Residence (itemize on reverse)			Real Estate Mtgs. Payable		
Other Real Estate (itemize on reverse)			Other		
Automobiles - Make & Year					
Make & Year			IL Accts—Auto (itemize on reverse)		
Title in name of:			IL Accts—Other (itemize on reverse)		
			Loans on Life Insurance		
Other Personal Property & Furniture			Other Liabilities		
Machinery & Equipment (itemize on reverse)			Note Payable-Equipment & Machinery		
Inventory & Cash invested in growing crops			TOTAL LIABILITIES		
Other Assets			NET WORTH (Assets less liabilities)		
TOTAL ASSETS			TOTAL LIABILITIES & NET WORTH		

CONTINGENT LIABILITY: As endorser/guarantor \$ _____ On letters of credit \$ _____
Legal claims and judgements (explain) \$ _____

MONTHLY INCOME		Omit Cents	MONTHLY PAYMENTS		Omit Cents
<small>Inclusion of income from alimony, child support, etc. is optional</small>					
APPLICANT'S GROSS SALARY			Rent or Mortgage		
Overtime (constant & regularly recurring)			Note Payments		
Bonus or Commissions			Charge Accounts		
Dividends & Investments			IL Loan - Auto		
Interest			IL Loan - Other		
Rents			Loans on Life Insurance		
Other (explain)			Federal & State Income Tax		
			Insurance Premiums		
SUBTOTAL - APPLICANT			Alimony, Child Support, etc.		
CO-APPLICANT'S GROSS SALARY			Other Fixed Monthly Payments		
Other (explain)					
SUBTOTAL - CO-APPLICANT					
TOTAL			TOTAL PAYMENTS		

APPENDIX B -
(B-2)

PERSONAL FINANCIAL STATEMENT

STOCKS AND BONDS (Listed and Unlisted)

All Securities listed are mine solely and are in my possession, except as shown hereon

Page 2 of 2

Name of Issuing Corporation and Type of Security	# of Shares (if Stock) Face Value (if Bond)	Market Value or Book Value	Registered in Name of (Be sure to show all other names that stock is registered in)

REAL ESTATE

Title to all real estate listed is in my name solely and unencumbered, except as shown hereon

Location & Description	Title Held in Name of (Show all names that title is held in & type of tenancy)	Date Acquired	Original Purchase Price	Actual Market Value	Balance of Mortgage	To Whom Payable

LIFE INSURANCE

Company	Face Amount of Policy	Cash Surrender Value	Loans Against Policy	Beneficiary	To Whom Policy is Assigned

NOTES PAYABLE TO BANKS AND OTHERS

Name and Address of Holder of Note	Amount of Loan		Terms of Repayment	Maturity of Loan	Describe Assets Pledged
	Original Balance	Present Balance			

MACHINERY AND EQUIPMENT

Item and Description (include make & model)	Age	Original Cost	Current Value	Mortgage or Lien	Balance of Mortgage	To whom payable

APPENDIX C
(C-1)

SAMPLE CASH FLOW PROJECTION FORM

Agricultural/Pasture Leases)

Page 1 of 2

Name of Applicant _____

Item No. _____

	Year 1	Year 2	Year 3	Year 4	Year 5
Income:					
Initial capitalization					
Sales					
Loans					
Other:					
Other:					
Other:					
Total Income					
Expenses:					
Labor:					
Salaries					
Employee benefit programs					
Pension & profit-sharing plans					
Custom hire (labor, machinery)					
Materials:					
Livestock					
Farm supplies (fertilizer, pesticides, etc.)					
Improvements					
Machinery & Equipment:					
Car and truck expenses					
Gasoline; fuel expenses					
Rent payments					
Repairs and maintenance					
Overhead:					
Lease rent (land)					
Utilities					
Insurance					
Advertising and promotion					
Storage and warehousing					
Taxes (property, income, GTE)					
Interest expense					
Other:					
Other:					
Total Expenses					
Net Cash Flow					

APPENDIX C
(C-2)

SAMPLE CASH FLOW PROJECTION FORM

(Agricultural/Pasture Leases)

Page 2 of 2

Name of Applicant				Item No.	
	Year 6	Year 7	Year 8	Year 9	Year 10
Income:					
Initial capitalization					
Sales					
Loans					
Other:					
Other:					
Other:					
Total Income					
Expenses:					
Labor:					
Salaries					
Employee benefit programs					
Pension & profit-sharing plans					
Custom hire (labor, machinery)					
Materials:					
Livestock					
Farm supplies (fertilizer, pesticides, etc.)					
Improvements					
Machinery & Equipment:					
Car and truck expenses					
Gasoline; fuel expenses					
Rent payments					
Repairs and maintenance					
Overhead:					
Lease rent (land)					
Utilities					
Insurance					
Advertising and promotion					
Storage and warehousing					
Taxes (property, income, GTE)					
Interest expense					
Other:					
Other:					
Total Expenses					
Net Cash Flow					

APPENDIX D
(D-1)

TAX CLEARANCE

Applicants must submit federal, State and County tax clearance certificates with their completed applications.

An original or certified copy of a tax clearance issued by the Hawaii State Department of Taxation and the Internal Revenue Service must be submitted with this application for the Applicant and all affiliated entities. "Affiliated entities" is defined as any entity having more than fifty percent (50%) interest in the bidding entity; any company more than fifty percent (50%) owned by a company having more than fifty percent (50%) interest in the bidding entity; or any entity in which the bidding entity has more than fifty percent (50%) interest. The bidder shall be responsible for obtaining the verifications for all affiliated companies.

The Applicant shall also obtain and submit the corresponding tax clearance certificates of the applicable County pertaining to property taxes, special assessments or other County obligations.

The tax clearances submitted with your application must be valid on the advertisement date and any date thereafter up to the date of the auction.

APPENDIX D
(D-2)

INFORMATION ON OBTAINING TAX CLEARANCES

For information on obtaining State tax clearances, contact the State Department of Taxation:

State District Tax Offices:

Oahu District Tax Office
830 Punchbowl Street
Post Office Box 259
Honolulu, Hawaii 96809-0259
Phone: (808) 587-4242
Toll-free: 1-800-222-3229

Kauai District Tax Office
3060 Eiwa Street, #105
Lihue, Hawaii 96766-1889
Phone: (808) 274-3456

Hawaii District Tax Office
75 Aupuni Street
Post Office Box 833
Hilo, Hawaii 96721-0833
Phone: (808) 974-6321

Maui District Tax Office
54 South High Street
Post Office Box 1169
Wailuku, Hawaii 96793-1169
Phone: (808) 984-8511

Tax Clearance Application (Form A-6): <http://www.hawaii.gov/tax/current/a6.pdf>
Instructions for filing Form A-6: <http://www.hawaii.gov/tax/current/a6ins.pdf>

For information on obtaining county tax clearances, contact the Real Property Tax Office in your county:

City & County of Honolulu

City Hall
Treasury Office, Room 115
530 South King Street
Honolulu, Hawaii 96813
OR call 523-4856 (tax clearance forms
can be mailed or e-mailed to you)

County of Hawaii

Real Property Tax Office/Collections Div
Aupuni Center
101 Pauahi Street, Suite 4
Hilo, Hawaii 96720
Phone: (808) 961-8282
Fax: (808) 961-8415

County of Kauai

Real Property Tax Collection
4444 Rice Street, Suite 463
Lihue, Hawaii 96766
Phone: (808) 241-6555

County of Maui

Real Property Tax Division
70 E. Kaahumanu Avenue, Suite A-16
Kahului, Hawaii 96732
Phone: (808) 270-7697